

# HOUSE . . . . . No. 1518

By Ms. Spiliotis of Peabody, petition of Joyce A. Spiliotis and others relative to further regulating third-party billers of automobile glass insurance claims. Financial Services.

## The Commonwealth of Massachusetts

PETITION OF:

Joyce A. Spiliotis  
Dianne Wilkerson

Edward G. Connolly

In the Year Two Thousand and Five.

AN ACT PROHIBITING AUTO GLASS INSURANCE CLAIM'S THIRD-PARTY BILLERS FROM PARTICIPATING AS VENDORS OF AUTO GLASS REPLACEMENT AND/OR REPAIR SERVICES FOR THE SAME INSURANCE CARRIER.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Notwithstanding any provisions of any general or  
2 special law to the contrary, no company which serves as a third-  
3 party biller for a particular insurance company, whether a carrier  
4 or an agency, may additionally provide auto glass replacement  
5 and/or repair services for such insurance company.

1 SECTION 2. Such third-party biller shall not be related to any  
2 glass replacement and/or repair services company by any substan-  
3 tial stock ownership by individuals, familial relations, nor related  
4 companies through stock ownership.

1 SECTION 3. Such third-party biller shall file with the Office  
2 of the Insurance Commissioner statements of ownership every six  
3 (6) months on a prescribed schedule, or upon any material change  
4 in ownership.

1     SECTION 4. All third-party billers shall file with the Office of  
2 the Insurance Commissioner all contracts held with specific insur-  
3 ance companies, either carriers or agencies, which delineate the  
4 provisions of the business relationship, excluding the amount of  
5 consideration provided for third-party billing services. Such con-  
6 tracts must be filed in the Public Records Section of the Division  
7 of Insurance.

1     SECTION 5. Each violation of failure to file either the state-  
2 ment of ownership and/or agreements between insurance compa-  
3 nies and third-party billers shall result in a fine of not less than  
4 \$1,000.00 per incident. Judgement of such violation shall be at  
5 the sole discretion of the Commissioner of Insurance.

1     SECTION 6. Each violation of Section 1, an auto glass  
2 replacement and/or repair job performed by a related company,  
3 shall result in a fine of not less than \$300.00. Judgement of such  
4 violation shall be at the sole discretion of the Commissioner of  
5 Insurance. Furthermore, the Office of Insurance Commissioner  
6 shall create and make widely available, forms for reporting such  
7 violations to said office.